

EXCERPTS FROM THE DEPOSITION OF  
RYAN BRINKMAN  
TAKEN MAY 4, 2021

1  
2 UNITED STATES DISTRICT COURT  
3 FOR THE NORTHERN DISTRICT OF CALIFORNIA  
4 SAN FRANCISCO DIVISION

5 -----X

6 IN RE TESLA, INC.

7 SECURITIES LITIGATION

Civil Action No.

8 3:18-cv-04865-EMC

9 -----X

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12 REMOTE DEPOSITION OF RYAN BRINKMAN

13 May 4, 2021

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16 Reported by:

17 MARY F. BOWMAN, RPR, CRR

18 JOB NO. 193519  
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May 4, 2021

12:30 p.m. EST

Remote deposition of RYAN

BRINKMAN, held before Mary F. Bowman, a  
Registered Professional Reporter, Certified  
Realtime Reporter, and Notary Public of the  
State of New Jersey.

APPEARANCES: (BY VIDEOCONFERENCE)

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Also Present:

Joshua Glick, Esq. JP Morgan

Candace Jackman, Esq., Tesla

Gabe Seymour, Videographer

KATHY AMES

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4           IT IS HEREBY STIPULATED AND  
5 AGREED, by and between the attorneys  
6 for the respective parties herein, that  
7 filing and sealing be and the same are  
8 hereby waived.

9           IT IS FURTHER STIPULATED AND  
10 AGREED that all objections, except as  
11 to the form of the question, shall be  
12 reserved to the time of the trial.

13  
14           IT IS FURTHER STIPULATED AND  
15 AGREED that the within deposition may  
16 be sworn to and signed before any  
17 officer authorized to administer an  
18 oath, with the same force and effect as  
19 if signed and sworn to before the  
20 Court.

1  
2 THE VIDEOGRAPHER: This is the  
3 start of media number 1 of the  
4 video-recorded deposition of Ryan  
5 Brinkman in the matter In re: Tesla  
6 Inc. Securities Litigation in the U.S.  
7 District Court, Northern District of  
8 California, San Francisco division,  
9 number 3:18-CV-04865-EMC.

10 This deposition is being held by  
11 remote video conference on May 4, 2021  
12 at 11:33 a.m. central time.

13 My name is Gabe Seymour. I am  
14 legal video specialist from TSG  
15 Reporting, headquartered in New York,  
16 New York. The court reporter is Mary  
17 Bowman in association with TSG  
18 Reporting.

19 Counsel, please introduce  
20 yourselves.

21 (Whereupon, counsel placed their  
22 appearances on the audio record.)

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RYAN BRINKMAN,

called as a witness by the parties,

having been duly sworn, testified as

follows:

EXAMINATION BY

MR. PORRITT:

Q. Good afternoon, Mr. Brinkman.

As I just stated, my name is

Nicholas Porritt, I'm with the firm of Levi

& Korsinsky. I'll be taking your

deposition here today.

First of all, could you state

your full name for the record.

A. Ryan Joseph Brinkman.

Q. What's your residential address?

A. 85 Tuckahoe Avenue in

Eastchester, New York, 10709.

Q. Where are you sitting today for

today's deposition?

A. Yes, I am in my house, that

residence, as opposed to my office.

Q. Have you ever been deposed

before?

A. No.

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Q. Do you recall if you received anything other than just a simple approval e-mail as you just described in response to this e-mail?

A. I don't recall. I suspect it was simply an approval e-mail, but I don't recall.

Q. If we can -- why don't we pull up the next -- hold on one second on this e-mail.

Why don't we go to the next exhibit, will be Exhibit 15, which will be your actual report -- this is easier to read than what you have pasted in here.

That's 47. There we go.

A. OK, I have it open.

Q. So I placed before the witness a document marked as Exhibit 15.

(Exhibit 15, document Bates stamped JPMS 00047 marked for identification, as of this date.)  
marked

Q. It is noted dated 8th of August 2018. It is Bates stamped JPMS 00047. It



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refers to 61.

Have you had a chance to glance through this document, Mr. Brinkman?

A. Yes.

Q. Do you recognize this document?

A. Yes.

Q. What is this document?

A. This is the note that I wrote in response to the events that we were talking about earlier and was published overnight and it was remaining underweight.

And yet, increasing my price target very materially from 195 dollars to 308 dollars. As a consequence of, as we mentioned earlier, there were, you know, I wanted to take a middle-of-the-road approach.

There were a lot of reasons to think there was a lot of veracity to this and then there were also some lingering concerns including that there was still not a press release by the company and whatnot. There was the blog post, but I decided to weight it 50/50. 50 percent the same price

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2 target I had before, which was based on the  
3 fundamentals as if it was not going  
4 private, and other 50 percent I weighted  
5 420 dollars, and the note provides my  
6 rationale for doing that, including the  
7 thought process. And it finishes by saying  
8 that details are few and that investors  
9 should be ready for me to potentially lower  
10 my price target again if I needed to remove  
11 the 50 percent go-private weight or  
12 potentially to increase my price target if  
13 it became more clear and maybe take it all  
14 the way to 420.

15 Q. And this note reflects perhaps in  
16 more detail your thoughts regarding the  
17 potential going private transaction as of  
18 the early morning of August 8, 2018?

19 A. Yes.

20 Q. In that opening on page 1 of  
21 Exhibit 15, you state that, "The Tweets we  
22 are talking about on August 7 are  
23 nevertheless declarative statements from  
24 the CEO of a public company which we feel  
25 should be considered seriously. Either

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2 funding is secured or it is not secured.

3 Tesla CEO says funding is secured."

4 Do you see that?

5 A. Yes.

6 Q. Does that reflect what we talked

7 about earlier all the Tweets that took

8 place on August 7?

9 A. Yes. I was saying that it should  
10 be taken seriously.

11 Q. Do you recall getting any  
12 questions or follow-up from any clients in  
13 response to this note you published on  
14 August 8, 2019?

15 A. On August 8 and August 9, I was  
16 100 percent focused on my auto conference,  
17 hosting, you know, 50 or so companies one  
18 after the other without even ability to  
19 check my e-mail so much.

20 But I saw hundreds of investors  
21 at that conference and probably spoke with  
22 them about it. But I wasn't actively using  
23 my e-mail probably that day like I would  
24 any other day.

25 Q. Sorry, didn't mean to speak over

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2 A. For a note of this type, yeah,  
3 for me.

4 Q. You see there in the second  
5 sentence there, you say, "Obviously a tough  
6 call."

7 Do you see that?

8 A. Yes.

9 Q. What made this reduction and  
10 price target a tough call?

11 A. As mentioned, I think I was the  
12 first analyst to come out and say -- or one  
13 of the first, that these Tweets weren't  
14 true and essentially it would be tantamount  
15 to say the CEO had lied or mislead  
16 investors which is, you know, something  
17 that's impolitic and I think I handled it  
18 in the best way possible.

19 I never used incendiary language.  
20 My notes are very restrained in how I come  
21 across and I took that balanced approach in  
22 increase in the price target, and to come  
23 out and remove the 420, 50 percent  
24 weighting would be to say, I don't think  
25 this is, you know -- really have any chance

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2 of happening. I don't think that this  
3 is -- I don't think funding was secured. I  
4 don't think that, you know -- it is sort of  
5 an acknowledgment of -- it would be  
6 putting -- it would be picked up by all the  
7 media, JP Morgan says that, you know, that  
8 contradicts Elon's statements, calls him  
9 out.

10 I tried to maintain good  
11 relationships with all the companies that I  
12 cover. I wanted to do this in the best and  
13 most responsible and even-handed way. It  
14 was going to be -- it's very difficult do  
15 that though. It's very difficult to come  
16 out and contradict those earlier statements  
17 in a fair and balanced way.

18 And you see the note that I'm  
19 sure we are going to discuss next, that is  
20 the outcome of my best effort there.

21 But I was also, as mentioned, the  
22 first analyst, kind of sticking my neck  
23 out, and yeah, it was a tough and  
24 awkward -- the whole situation was  
25 difficult to know how to respond to and I

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2 feel I did my best.

3 Q. Do you recall -- in this week

4 leading up to this New York Times article,

5 August 16 or August 17, you revising the

6 note to be published on August 20, do you

7 recall any discussions within JP Morgan

8 regarding the situation at Tesla?

9 A. No. The only discussions would

10 have been between myself and my team, I

11 believe.

12 Q. Do you recall what their views

13 were?

14 A. Well, at that point in time, I

15 just had -- I typically have two U.S.-based

16 analysts and one in India. At that point

17 in time, I just had one in India and one in

18 U.S. who was sort of transitioning on to

19 the team.

20 So I was kind of without a great

21 sounding board that I typically have. And

22 so I don't think that there was a lot of

23 communication within the team. I was kind

24 of making these calls.

25 MR. PORRITT: Why don't we go to

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2 the next exhibit, Elizabeth, which will  
3 be the 4047.

4 (Exhibit 22, document Bates  
5 stamped JPMS40437 marked for  
6 identification, as of this date.)

7 Q. I placed before the witness a  
8 document marked as Exhibit 22. It's an  
9 e-mail Bates stamped JPMS40437.

10 Do you see that, Mr. Brinkman?

11 A. Yes.

12 Q. Do you recognize this document?

13 A. Yes.

14 Q. What is it?

15 A. This is similar to the earlier  
16 e-mail we looked at which is me e-mailing  
17 research management at JP Morgan the EQR  
18 approval request e-mail group that the  
19 supervisory analysts are cc'd on requesting  
20 this time not to raise the price target by  
21 more than 50 percent, but to lower the  
22 price target -- I am sorry, not to raise  
23 the price target --

24 (Reporter clarification)

25 A. OK, this is similar to the other

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2 e-mail, but instead of requesting that I  
3 raise the price target by more than 20  
4 percent, I need to request permission to  
5 lower the price target by more than 20  
6 percent. I provide my rationale there and  
7 then paste it in the text of the note as  
8 well.

9 Q. And this is sent in looking at --  
10 sent August 20, 2018, 6:03 a.m. suggests  
11 that it is 2:03 a.m. on Monday morning. I  
12 don't know exactly -- do you recall sending  
13 this e-mail early in the morning on that  
14 Monday?

15 A. I think I do, yeah.

16 It was a momentous time for me.

17 Q. Do you recall discussing this  
18 e-mail and this note with anyone before  
19 sending this e-mail?

20 A. No, I believe I authored this  
21 note by myself in isolation.

22 Q. And this e-mail reflects your  
23 thinking at the time regarding Tesla as of  
24 August 20, 2018?

25 A. Yes.



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2 Q. Why don't we mark the next

3 exhibit, Exhibit 23, which will be the

4 August 20 report.

5 (Exhibit 23, document Bates

6 stamped JPMS000001 marked for

7 identification, as of this date.)

8 Q. I'll place before the witness a

9 document marked Exhibit 23. And it is a

10 note research note dated 20 August 2018

11 Bates stamped JPMS000001.

12 Is that document in front of you?

13 A. Yes.

14 Q. Do you recognize this document?

15 A. Yes.

16 Q. What this document?

17 A. This is the second note that I

18 published on the topic of Tesla potentially

19 going private and it is essentially undoing

20 the first note.

21 The first note was to increase

22 the price target from 195 dollars to 308

23 dollars by equal-weighting my 195 price

24 target 50 percent and the go-private offer

25 of 420 dollars at 50 percent.

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2           This note removes the 420  
3 dollars, and therefore, the 420 dollar 50  
4 percent weighting and, therefore, lowers  
5 the price target back down to 195 dollars  
6 given -- the title of the note is reverting  
7 to valuing TSLA shares on fundamentals  
8 alone, given funding appears to not have  
9 been secured. Price target back to 195  
10 dollars.

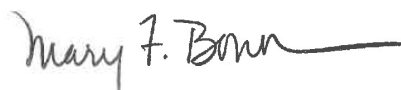
11           Q.       Once again, this note reflects  
12 your views on the -- on Tesla and the  
13 going-private transaction at the time it  
14 was published in August 20, 2018?

15           A.       Yes.

16           MR. PORRITT: If -- we have been  
17 over -- Ms. Bowman, how long have we  
18 been going or the videographer can tell  
19 us.

20           Are you all right, Mr. Brinkman,  
21 do you want to keep going, or take a  
22 five-minute, ten-minute break.

23           THE WITNESS: Why don't we take  
24 one of those 120-second breaks. I'll  
25 be right back.

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2 CERTIFICATE3 STATE OF NEW JERSEY )  
4 )ss:  
COUNTY OF UNION )5 I, MARY F. BOWMAN, a Registered  
6 Professional Reporter, Certified  
7 Realtime Reporter, and Notary Public  
8 within and for the State of New Jersey,  
9 do hereby certify:10 That RYAN BRINKMAN, the witness  
11 whose deposition is hereinbefore set  
12 forth, was duly sworn by me and that  
13 such deposition is a true record of the  
14 testimony given by such witness.15 I further certify that I am not  
16 related to any of the parties to this  
17 action by blood or marriage and that I  
18 am in no way interested in the outcome  
19 of this matter.20 In witness whereof, I have  
21 hereunto set my hand this 14th day of  
22 May, 2021.23   
24

25 MARY F. BOWMAN, RPR, CRR